1	BEFORE THE					
2	ILLINOIS COMMERCE COMMISSION					
3	ILLINOIS-AMERICAN WATER COMPANY) DOCKET NO.) 08-0251					
4	Petition pursuant to Section 7-102) of the Illinois Public Utilities)					
5	Act for a declaration that) approval is not required for the) sale of real estate located in)					
6	Dunlap, Peoria County, Illinois,) or, in the alternative, approval)					
7	for the sale of real estate)					
8	located in Dunlap, Peoria County,) Illinois.					
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10	Springfield, Illinois Tuesday, June 24, 2008					
11	Mata managara ta matalana at 0.20 a m					
12	Met, pursuant to notice, at 9:30 a.m.					
13	BEFORE:					
14	MR. LARRY JONES, Administrative Law Judge					
	APPEARANCES:					
15	MS. MARY SULLIVAN					
16	100 North Water Works Drive Belleville, Illinois 62223					
17	Ph. 618) 239-3261					
18	(Appearing on behalf of Petitioner via teleconference)					
19	recitioner via tereconterence)					
20						
21 22	SULLIVAN REPORTING COMPANY, by Carla J. Boehl, Reporter Ln. #084-002710					

1	APPEARANCES: (Continued)
2	MR. JAMES V. OLIVERO Office of General Counsel
3	527 East Capitol Avenue Springfield, Illinois 62701
4	Ph. (217) 785-3808
5	(Appearing on behalf of Staff of the Illinois Commerce
6	Commission)
7	MS. JENNIFER LIN Office of General Counsel
8	160 North LaSalle, Suite C-800 Chicago, Illinois 60601
9	(Appearing on behalf of Staff
10	of the Illinois Commerce Commission via teleconference)
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3	WITNESS	DIRECT	CROSS	REDIRECT	RECROSS
4	None.				
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14		EXF	HIBITS_		
15				MARKED	ADMITTED
16	IAWC Exhibits M	MJH 1.0, 2.0	and 3.0	E-Docket	17
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1 PROCEEDINGS

- JUDGE JONES: I call for hearing Docket Number
- 3 08-0251. This is titled in part Illinois-American
- 4 Water Company, petition pursuant to Section 7-102 of
- 5 the Public Utilities Act for certain relief.
- 6 At this time may we have the
- 7 appearances orally for the record, first on behalf of
- 8 Illinois-American Water Company?
- 9 MS. SULLIVAN: This is Mary Sullivan. My
- 10 address is 100 North Water Works Drive, Belleville,
- 11 Illinois 62223, phone number (618) 239-3261.
- 12 JUDGE JONES: Thank you. Commission Staff?
- 13 MR. OLIVERO: Appearing on behalf of the Staff
- 14 witnesses of the Illinois Commerce Commission,
- 15 Jennifer Lin and James Olivero, 527 East Capitol
- 16 Avenue, Springfield, Illinois 62701, is my address in
- 17 Springfield.
- 18 JUDGE JONES: Thank you. Are there any other
- 19 appearances? Let the record show there are not.
- 20 It is my understanding that the
- 21 parties are ready to go forward. Ms. Sullivan, does
- 22 Illinois-American Water Company have some testimony

- 1 exhibits to offer into the record at this time?
- MS. SULLIVAN: Yes, Your Honor.
- 3 Illinois-American is moving for the
- 4 admission of the direct testimony of Michael J.
- 5 Hoffman filed via e-Docket on April 23, 2008, labeled
- 6 IAWC Exhibit MJH 1.0; in addition, the rebuttal
- 7 testimony of Michael J. Hoffman filed on June 23,
- 8 2008, via e-Docket, identified as IAWC Exhibit Number
- 9 2.0; and then the affidavit of Mr. Hoffman to support
- 10 those two previous filings also filed on June 23,
- 11 2008, via e-Docket, identified as IAWC Exhibit Number
- 12 MJH 3.0.
- 13 JUDGE JONES: Thank you. Is that agreeable to
- 14 Staff?
- MR. OLIVERO: Yes, it is, Your Honor.
- 16 JUDGE JONES: Let the record show that those
- 17 three exhibits are hereby admitted into the
- 18 evidentiary record as filed on e-Docket. The exhibit
- 19 numbers and the specific date of filing were just
- 20 read into the record by Ms. Sullivan, so I will not
- 21 repeat those, other than to say as noted they are
- 22 IAWC Exhibits MJH 1.0, 2.0 and 3.0. Thank you.

- 1 (Whereupon IAWC Exhibits MJH
- 2 1.0, 2.0 and 3.0 were admitted
- into evidence.)
- 4 JUDGE JONES: I believe the ICC Commission
- 5 Staff has made a filing identified as a response to
- 6 the Petition for Approval, is that correct?
- 7 MR. OLIVERO: That's correct, Your Honor. And
- 8 we had attached thereto a verification from Mike
- 9 Ostrander regarding the contents thereto.
- 10 JUDGE JONES: Thank you. Did you want to do
- 11 anything else with that particular filing other than
- 12 to note that it is a verified filing and it is filed
- 13 on e-Docket?
- 14 MR. OLIVERO: No.
- 15 JUDGE JONES: It is up to you.
- 16 MR. OLIVERO: No, I don't think so.
- 17 JUDGE JONES: We will talk about submission of
- 18 a draft order, a suggested order, in just a minute.
- 19 There is one other question that I
- 20 have to pose to Illinois-American Water Company.
- 21 It's a question that may need answered this morning
- 22 or later.

1	Basically, there are statements in
2	both the Staff response and the Company filing that
3	the real estate in question has been classified as
4	non-rate based property. There are some other
5	statements with respect to whether the transaction,
6	the effects of the transaction, are recorded on an
7	above or below the line basis.
8	Corresponding to the classification of
9	that property, my question goes to those statements.
10	The question is essentially when the real estate was
11	classified as non-rate base property. A related
12	question is whether the property in question was ever
13	classified as rate base property. And lastly,
14	whether the property in question is in rate base in
15	the Company's current rate proceeding.
16	So in order to provide the parties an
17	opportunity to discuss any scheduling that may apply
18	to that as well as scheduling related to a suggested
19	order, we hereby go off the record.
20	(Whereupon there was then had an
21	off-the-record discussion.)

JUDGE JONES: Back on the record. Let the

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- 1 report show there was an off-the-record discussion
- 2 for the purposes indicated.
- With respect to the questions I
- 4 raised, I believe the Company will be making a filing
- 5 addressing those on or before June 26. If Staff has
- 6 any response to make to that, the date for that would
- 7 be June 30. A hearing date will be set for July 2 at
- 8 10:00 a.m. If there is no need for that hearing, it
- 9 will be cancelled.
- 10 Also discussed off the record was a
- 11 date for the submission of a draft order or suggested
- order by the Company, preceded by circulation of a
- 13 draft of that to the Commission Staff. In any event,
- 14 the date for the filing of the suggested order with
- the Commission would be July 9.
- 16 Any points of clarification or
- 17 objection -- or correction with respect to any of
- 18 those dates?
- 19 MR. OLIVERO: None from staff, Your Honor.
- 20 MS. SULLIVAN: None from the Company.
- 21 JUDGE JONES: Let the record show those dates
- 22 are hereby put into place.

1	I think that's it for today's purposes
2	then. Do the parties have anything else?
3	MR. OLIVERO: Nothing here.
4	MS. SULLIVAN: We will file IAWC Exhibit 4.0 by
5	Thursday.
6	JUDGE JONES: Thank you. At this time then let
7	the record show that this hearing is over. Thanks to
8	Ms. Sullivan for circulating a call-in number.
9	At this time let the record show that
10	this matter is continued as just mentioned to a
11	hearing date of July 2 at 10:00 a.m. with
12	participation by telephone being permissible.
13	(Whereupon the hearing in this
14	matter was continued until July
15	2, 2008, at 10:00 a.m. in
16	Springfield, Illinois.)
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